

Janet T. Mills
Governor

Jeanne M. Lambrew, Ph.D.
Commissioner



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May 27, 2021

Mr. Michael Biderman, Member.
Waterville Center for Health and Rehab LLC
1800 Rockaway Ave., Suite 210
Hewlett, NY 11557

RE: Transfer of Ownership of Mount St. Joseph Residence and Rehabilitation

Dear Mr. Biderman:

This letter will serve as notification that, on this date, I have decided to **approve with conditions** a Certificate of Need (CON) that authorizes the transfer of ownership of Mount St. Joseph Residence and Rehabilitation to Waterville Center for Health and Rehab LLC (WCHR).

My approval is conditioned on the following:

Condition: The applicant is to report improvements in quality outcome measures for services affected by the project on an annual basis within 90 days of its fiscal year end beginning with the time period when the Certificate of Need was approved until a full three years have elapsed since the date of project completion. This report would include, among other elements:

- 1) WCHR's most recent standing under the CMS 5 Star Quality Rating (available at [medicare.gov/care-compare/](https://www.medicare.gov/care-compare/)) and steps MSJ has taken or will take to maintain positive indicators and improve average or below average indicators.
- 2) A summary of the results of periodic surveys of WCHR carried out by DLC over the past year, and a description of the remedial measures taken to address the identified deficiencies
- 3) An analysis showing key trends at WCHR relating to quality measures, along with a review of the quality improvement steps being undertaken.

Condition: The applicant is to report financial results of the project on an annual basis to coincide with the filing of its MaineCare cost report beginning with the time period when the Certificate of Need was approved until a full three years have elapsed since the date of project completion. This report would include, among other elements:

- 1) A summary income statement and a narrative comparison with the projections set forth in the application.

2) A summary of management's plan to sustain or improve operating results in the next twelve months. The summary would include specific measures recently implemented or those planned to be implemented to assure the ongoing economic viability of the facility.

Condition: The applicant is to report the acquisition of any additional nursing facility located in Maine or in any other state, where Michael Biderman has a direct or indirect ownership interest of 50% or more, or is a manager having operational control. Such reports shall be made within 30 days of closing on the purchase of the facility beginning from the date of approval of the Certificate of Need until a full three years have elapsed following the date of approval. The report may be made via email. The report should include, among other elements:

- 1) The name and location of the facility or facilities being acquired.
- 2) The date of acquisition.
- 3) Information regarding the direct or indirect ownership interest of 50% or more held by Michael Biderman, and/or his status as a manager having operational control.

In order for this CON to remain valid, the project must be "commenced" within two years from the date of the original approval, noted above. You must complete implementation reports on your activities as specified for this type of Project (CON for Nursing Facility Level of Care Projects, Chapter 5, Sec. 71.03). Limited extensions may be available, if requested in a timely manner and for good cause. Failure to commence the project within this 24- month period will result in expiration of the CON, unless extended.

I am granting this CON because I have determined that the project meets the criteria set forth in the CON Act Sec. 335 (1) and the Departments regulations. The specific details of the project for which I have granted this CON are contained in the record.

Please be aware that in accordance with Section 346 of the Maine Certificate of Need Act this Certificate, as modified herein, is valid only for the stated scope, premises and facility named in the above referenced application and is not transferable or assignable.

Furthermore, it should be clearly understood that our analysis and findings regarding the need for the proposed project, as well as its financial and economic feasibility, are predicated on the application record as described in Chapter 5, Section 71.05. Consequently, the proposal must be implemented consistent with the approval stated in this letter, as informed and clarified by the Department's analysis and findings as summarized in the following Department staff reports:

FINAL REVIEW: Briefing memo to Jeanne M. Lambrew, Commissioner, DHHS, dated May 27, 2021.

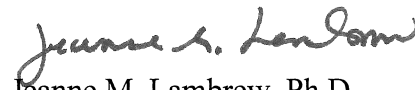
No significant changes to the project, no variations from the projected operating costs, no modifications of the terms of financing the project, and no increase in the capital expenditures to be made are permitted without the prior written approval of the Department. Any such variances may result in either the disallowance of related expenses, financial penalties, or the immediate revocation of the CON.

Please work closely with my staff in the CONU to assure this project is implemented in accordance with the provisions of this Certificate and applicable rules and regulations.

The CON statute requires that a holder of a CON make a written report at the end of each six-month period following its issuance. Details regarding this and related requirements will be made the subject of a separate letter from the CONU.

My staff will work with you as necessary.

Sincerely,

A handwritten signature in dark ink, appearing to read "Jeanne M. Lambrew". The signature is fluid and cursive, with a large initial "J" and "L".

Jeanne M. Lambrew, Ph D
Commissioner, DHHS

cc: William Montejo, Director, DLC
Larry Carbonneau, Manager, Health Care Compliance and Operations, DLC
Herb Downs, Audit
File